



Cameron School of Business

Spring
2000
Newsletter

in forward motion



Fourth Annual Greater Wilmington Business Awards Gala

On May 18, the Greater Wilmington Business Awards Gala dinner will begin with a reception at 6 p.m. in Wagoner Hall on the UNCW campus. This event, which was started four years ago, has become the premier business evening of the year in southeast North Carolina and honors the region's business community by recognizing individuals and companies that contribute significantly to the growth and excitement of the place in which we live and work.

The Coastal Entrepreneurial Council, the Greater Wilmington Chamber of Commerce, the Wilmington Small Business Coalition, the North Carolina Small Business and Technology Center and the Cameron School of Business are co-sponsors of this event. A number of awards are given by the sponsoring organizations. They include successful small businesses, new start-up companies, entrepreneurship and larger established firms. The winners are selected by a panel of their peers and are announced and recognized at the dinner. Firms and organizations can sponsor a table at the dinner for their friends, customers and employees and can be an event or corporate sponsor for the entire program.

Contact the Coastal Entrepreneurial Council at 910-962-3901 for more information on sponsorships and tickets. Make your plans now to help us celebrate the business community in the year 2000.

From Dean Rockness

As you know from our last issue of the newsletter, I am stepping down as the dean of the Cameron School of Business effective June 30, 2000. The search committee for a new dean, chaired by Vice Chancellor Robert Tyndall, is making great progress. The committee had a number of candidates on campus in March to meet with faculty, administration, staff and external stakeholders. They are optimistic that the search will successfully conclude at an early date.

As promised, I continue to devote my full attention to the many current programs and projects to ensure that the school gets turned over to the new dean in the best possible shape. We have just completed design and approval for a dual degree program with CESEM Mediterranée in Marseille, France, as part of our Transatlantic Business School Alliance. Consistent with our growing international focus, we are actively developing formal programs for faculty and student exchanges with a leading group of universities in Mexico. In addition, we have spent the best part of the last several months working on reaccreditation of the school by the American Association of Collegiate Schools (AACSB). The AACSB, the leading accreditation organization for business schools, requires that a member school be reevaluated every ten years by an onsite visit from the organization to ensure that the member school continues to meet the high standards expected for leading business schools.

The AACSB review team visited on February 7-9. They were very impressed with the quality of our undergraduate and graduate programs, our great teaching faculty, interaction and involvement of the business community, the quality of our students and the processes we have in place to ensure that our graduates receive the best education possible. As with many reviews of this nature, they expressed some concerns, although none of these concerns affect our ongoing AACSB accreditation. Specifically, they were concerned about the need to better align the growth of our faculty and their intellectual contribution with the strong growth of our student body and programs. This is a concern that we in the business school share with the AACSB and, accordingly, we are in the process of accelerating the growth of the faculty. Once we have expanded the resource base of faculty and support, our reaccreditation review will be complete and we will receive reaffirmation of our accreditation for the coming ten-year period. In the meantime, we continue as a fully accredited member of the AACSB.

As mentioned elsewhere in this newsletter, our faculty continues to distinguish itself, we are busy studying the possible introduction of a new master's program in information systems, we have just conducted another successful Business Week and we have issued up-to-date brochures for the school and our graduate programs. These are but a few of the activities that continue to ensure that we are meeting our mission and making real our vision for the Cameron School of Business.



Dean Rockness

Our principal mission and vision is to prepare students to become business leaders in a changing world and to be nationally recognized for responsiveness to the needs of our students and the business community. Learn more about us by visiting our web site, <http://www.csb.uncwil.edu>

Cameron Professor Receives National Award



Seungoog Weun

Marketing professor **Seungoog Weun's** colleagues from across the country recently gave him national recognition by selecting him for this year's "Outstanding Marketing Teacher Award." He will receive the prestigious award in May in Montreal Canada at the Academy of Marketing Science Annual Conference.

Professor Weun was selected for this award by a panel of his colleagues because of his quality teaching philosophy, his past record of honors and awards and clear evidence of his teaching excellence. He received his undergraduate degree from Hankuk University in Seoul, Korea,

his MBA from the University of Missouri-Columbia and his Ph.D. from the University of Alabama. He came to Cameron School of Business from Western Carolina University in 1998.

Professor Weun's teaching philosophy combines dedication and commitment to excellence. He was particularly pleased and somewhat surprised to receive this award, as it is usually given to more senior (older) faculty members. In large measure, he credits the award to the Cameron teaching environment and the support of his colleagues on the faculty. He is the first Asian-born individual to receive this award.

Business Week 2000 — E-Commerce and More



When reporting on Business Week last year, we thanked **Professor Randy Hanson** and his committee for the outstanding job they had done in organizing and delivering the 1999 version of Cameron's annual Business Week program. Little did we know at that time that the school would be blessed with having the same Business Week committee in 2000. Professor Hanson and his committee, along with this year's business student organization presidents, outdid their 1999 performance and set a new level for successful business week programs.

The two-day program was kicked off on March 22 by an e-commerce panel of top executives from this fast-moving arena of activity. The panel was chaired by Dean Howard Rockness and included:

- **Norvell Miller**, managing director of Southeast Interactive Technology Funds, the largest venture capital fund in the region that invests exclusively in information technology and internet related start-ups;
- **David Frederick**, CEO of Sound Werx Applied Technologies, Inc., a company that develops entertainment industry audio and interactive audio products, and CEO of INOIZ.com, a start-up internet distributor of very sophisticated business to business audio products;
- **Jenny Gomas**, vice president for media sales at Engage, Inc., a company that provides data services and technologies to help business implement internet-based marketing; and

- **Richard Martin**, COO for Vision Software, Inc., the leading supplier of public safety software, including mobile wireless data and routing software.

The speakers focused on the many opportunities and the explosive growth of e-commerce, especially in the business-to-business area. They let our students know that e-commerce is a young business where young people can quickly achieve leadership positions. They also pointed out the many potholes along the e-commerce highway such as security breakdowns, undelivered merchandise, etc. The panel attributed many of the potholes to businesses having to move quickly to capture markets without well-developed plans for why, how and what to do. Students were told that you had to move quickly in this business segment or competitors would capture the markets ahead of you. While e-commerce related problems will undoubtedly continue to crop up and may slow the growth and development of this activity, the participants all predict a bright future. Most panel participants believe that their biggest problem may be keeping up with the growth and development of e-commerce, as it seems to be almost impossible to predict the how and what of e-commerce even a year out. The panel participants were firm in their belief that every company will, in the next few years, have to have a strong e-commerce component or they will fall behind in the ever-changing business world.

Following this exciting e-commerce kick off, the program moved to some of the 50 plus presentations made by professionals and managers (including 12 alumni) over the two-day program. As has been the custom in the past, day classes were suspended for both days so that Cameron students could participate in the program to the maximum extent. Throughout the two days, there was a strong focus on e-commerce and

technology, with over 17 presentations devoted exclusively to this topic. Public relations, economic consulting and reinsurance were topics added to this year's program. Presentations on internships, advertising agencies, public accounting, banking, investment services and financial planning, long-time student favorites, rounded out the program.

J. Alfred Broaddus, Jr., the president of our District Federal Reserve Bank, headquartered in Richmond, Virginia, delivered the keynote address on Thursday morning. He focused mainly on the role of the Federal Reserve in the U.S. economy and the positive impact it has had on our region's business and finance. During the question and answer period following his address, members of the audience pressed him hard for insight about the future direction of interest rates. However, much like Alan Greenspan, he kept the audience guessing on this score.

The annual Commerce Cup Challenge, an adaptation of the popular television game show "Jeopardy" with all business topics, has been a popular competition for all of the business student organizations. This year, George Elliot, a popular regional television personality, served as the host, and there was a significant upgrade in the software supporting the game so that the game moved along and maintained higher levels of interest than in the past. Congratulations to **Pi Kappa Phi**, the winner of this year's Commerce Cup Challenge.

Sixty business leaders, professionals and managers from the region, the state and the nation over a two-day period talking about current and interesting business topics was a refreshing change of pace and a real motivator for our students to hit the books as we move toward the end of another semester and academic year. **Professor Hanson** and his team came through again. Will we see them next year? Planning for Business Week 2001 starts this April.

Southeast North Carolina Economy — A Long-Term View

Annual and quarterly forecasts with updated reports on area economic activity have been one of the principal outputs of Cameron's economic development and forecasting office. These forecasts and reports are widely followed by the area TV and print media, as well as businesses in the area. **Dr. William W. Hall**, director of this office and his long-time colleague and observer of the local economy, **Dr. Claude Farrell**, recently stepped back to take a look at where the regional economy has been in the last 20 years or so and where it may be going over the next 10 to 20 years. Their analysis provided interesting insights for regional economic planning, both for government and business.

Strong Economic Growth Occurred Over the Last 20 Years — Economic activity in the region has, as most of us know, grown quite rapidly over the past 20 years. Following the severe national recession of 1981-82, where the local economy still grew at a very slow pace, activity was on an upward roll culminating in the 1990's boom. Prior to the completion of I-40, the area economy accelerated in anticipation of that event in an uneven fashion. At times, growth hit double-digit levels, only to slow before accelerating again. Upon the completion of I-40 and continuing through the 1990's, the local economy grew in a constant and rapid fashion. New and expanded industrial facilities, rapid expansion of poultry farming, military buildup and highway construction (I-40 and others), all contributed to the uneven but consistently positive regional economic growth.

Population Growth Drove Regional Economic Growth — When you pore over the economic data from this period, what emerges, in Drs. Hall and Farrell's view, is that these 20 years of growth was driven by one main factor, a large increase in regional population. For example, census data indicate that the Wilmington metropolitan area was one of the top ten areas of 100,000 or more in population in percent population growth from 1990 through 1998. Over the same eight-year period, employment in the coastal area rose 18 percent and retail sales almost doubled. The average monthly unemployment rate in that area was at a 10-year low in 1998. Population growth translates into economic growth because it requires more housing, shopping, schools and roads. The expanding population required more workers, for example, to build houses and teach school. A significant part of the coastal population growth has been the influx of retired people who do not need jobs but do spend their money in the region and, as a result, create jobs in the area. While much of the population growth occurred in the coastal part of the region, this coastal growth drew in workers from other parts of the region which, in turn, accelerated economic growth in the towns and areas throughout the region, not just on the coast.

Increased Tropical Storm Activity Expected to Continue — The question now asked of Drs. Hall and Farrell is, will this population and economic boom continue in the new millennium? To address this question, one must consider a non-economic phenomenon that potentially has great economic impact, viz., the weather, specifically, the tropical Atlantic storms that impact the area. During the population boom of the 1980's and 1990's, the local area's weather was quite tranquil. This trend did not continue during the latter part of the 1990's, with seven named storms in four years affecting the area. The only other time period in recent history characterized by such active tropical weather in a few years was during the 1950's when the North Carolina coast became known as "hurricane alley."

To address the question of past and future hurricanes, Drs. Hall and Farrell consulted many sources. In particular, Mark Avery, WECT-TV meteorologist, was most helpful, although the conclusions of the study are those of Drs. Hall and Farrell. Over time, Atlantic tropical storms have been observed to follow a 25-year cycle with, on average, increased activity for 25 years followed by 25 years of decreased activity. Historical weather data show this trend can be traced to the 1870's. This does not mean that every year in an "up" cycle is extremely active, or vice versa. For example, Hurricane Hugo made landfall in Charleston, South Carolina, during a "down" cycle. The "up" and "down" cycles are averages and not predictors of storms in any given year. Also, it does not mean that a specific area or region will be impacted or even threatened during a year, or years, of extremely high levels of activity. However, it does mean that in a 25-year "up" cycle there is an increased probability of this region being impacted by a hurricane or storm.

It probably comes as no surprise now that we appear to have entered a 25-year "up" cycle around the mid 1990's. If, as it appears to be the case, we are in a tropical storm "up" cycle then the rapid population growth and resulting economic boom for this region occurred during a 25-year "down" cycle of Atlantic tropical activity. The pleasant tranquil environment that has helped to attract so many more people to this region during the last 20 years may be only a fond memory for us over the first 20 years of the new millennium.

Slower Growth Seen for Immediate Future — Following the 1996 hurricane season (Arthur, Bertha, and Fran), as predicted by Cameron's economic and forecasting office at the time, local economic activity actually surged 10 percent over the next 12 to 18 months due to rebuilding efforts. Some economists are forecasting a similar surge in economic activity over the next year, in areas of the region recovering from flood damages

from the storms of the 1999 season (Irene, Floyd, and Dennis). However, these were and will be short-term, one-time impacts. An expanding and growing regional economy cannot be built using casualty insurance proceeds or federal and state emergency loans and grants.

Surveys that Drs. Hall and Farrell have conducted in the coastal region, with the assistance of the Greater Wilmington Chamber of Commerce, indicate that to this point, that few, if any, businesses and households are seriously considering leaving the area because of the tropical storms of the last few years. However, the perception of the world, outside our Southeast North Carolina region, about living in and starting businesses on the coast or in this region may be changing. Survey results revealed some of this sentiment, and other sources support this position.

Drs. Hall and Farrell forecast, based on analysis of all the regional economic data and available information from other regions that suffered extended weather problems, that aggregate regional economic activity is unlikely to fall in absolute dollars during the first 20 years of the new millennium. There is a high probability that the economic boom period is over, and, accordingly, they are forecasting that it will be replaced by more irregular and volatile periods of substantial growth alternating with very modest growth. Effectively, for the first time since the late 1970's, they do not see the continuous strong and accelerating economic growth pattern in our future, similar to that experienced during the last 20-year boom. They certainly do not view the economic future here as bad or negative; rather they see growth as more modest than that of the last 20 years. In the past 20 years, the region has generally outperformed the nation in annual economic growth. It is unlikely that the region will do much better in the next 20 years than match national economic growth.

Forecasted Economic Growth for 2000 Cut in Half — In the immediate future, the national perception of Floyd, the lack of insurance coverage for many of those impacted by that storm, manufacturing layoffs and falling agricultural incomes and the dearth of movie activity have caused the Cameron economic and forecasting office to revise its forecast downward for this year. In the coastal counties of the region, the 2000 forecast is now down from a forecasted seven percent plus real growth to approximately three and one-half percent. This is not bad, but at seven percent growth, an economy would double in size in approximately 10 years and at three and one-half percent it takes approximately 21 years to double in size. The southeast region, as a whole, has been growing at a slower rate than the coastal counties and this slower growth rate, now forecasted at about two percent, is expected through this year.

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New Student Recruiting Brochures for 2000 and Beyond

A series of coordinated recruiting brochures were received from the printer in March, and initial reaction from potential students and selected stakeholders of the school are extremely positive. The Cameron School of Business, in response to market demand, continues to expand its student recruiting focus beyond its traditional strong base in eastern North Carolina to major metropolitan areas of North Carolina and the region. Putting our best foot forward to potential undergraduates and graduate students, in these expanding markets, helps ensure that the overall quality of our student body continues to grow and keep pace with the growing quality of our program and degree offerings.

The new brochures will help us make a more positive first impression, and we hope they will help lead to greater success in recruiting the highest quality students. These brochures will also help us tell our story to employers and other external stakeholders.



**Today, the business
world means
worldwide
business.**

Additionally, as more and more of our external audiences approach us on the Internet, we will incorporate the pictorial and verbal content of these brochures on our web pages in the near future.

The lead brochure is letter size with attractive multi-color pictures and graphics. It focuses the prospective student on the school's mission, faculty, facilities, employers, student body and our undergraduate and graduate programs. The two pocket-size companion brochures are designed to focus on our MBA and MSA programs. Other pocket-size companion brochures for programs such as international business are in the planning stages.

Southeast North Carolina Economy *continued from page 3*

When looking at the regional economy, Drs. Hall and Farrell believe that two additional points should be considered. The first is that no area of the U.S. is immune to extreme weather events. We have earthquake, tornado, and many other "alleys." Their view is not that, at times, we have experienced extreme weather events over the last 20 years. Everyone who lives here knows that

hurricanes are a part of coastal living. Rather, their view is that the low level of tropical weather activity in the preceding 20 years cannot be counted on for the next 20 years. Secondly, they ask if anyone in the region would not welcome a slow down in traffic growth and a chance for the regional infrastructure to catch up for the past 20 years of rapid growth? Certainly, slower regional growth will give us that opportunity.

Increased tropical storm activity, decreased population and economic growth may seem to some as a negative outlook on the future of Southeast North Carolina. Certainly, Drs. Hall and Farrell did not intend to be negative. They believe a period of slower population and related economic growth may be just the right ingredients for the region to position itself for positive long-term growth, a decade or two from now.



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The University of North Carolina at Wilmington
601 South College Road
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